Deloitte Haskins & Sells LLP

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INDEPENDENT AUDITOR'S REPORT

To The Members of
IIFL Wealth Altiore Limited (Formerly known as IIFL Altiore Advisors Limited)
Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **IIFL Wealth Altiore Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the [Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2021, and its loss, total comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report including Annexures to Director's Report, but does not include the financial statements and our auditor's report thereon. The Director's report including Annexures to Director's Report is expected to be made available to us after the date of this auditor's report.
- Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

- When we read the Director's report including Annexures to Director's Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
   i. The Company does not have any pending litigations which would impact its financial position.
   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Pallavi A. Gorakshakar
(Partner)
(Membership No.105035)
(UDIN:21105035AAAAEM7652)

Place: Mumbai
Date: 17th May 2021

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **IIFL Wealth Altiore Limited** ("the Company") as of 31st March 2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2021, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Pallavi A. Gorakshakar
(Partner)
(Membership No.105035)
(UDIN:21105035AAAAEM7652)

Place: Mumbai
Date: 17th May 2021

Deloitte
Haskins & Sells LLP

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) According to the information and explanations given to us ,the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

(c) The Company does not have any immovable properties of freehold or leasehold land and building and hence reporting under clause (i)(c) of the CARO 2016 is not applicable.

(ii) The Company does not have any inventory and hence reporting under clause (ii) of the CARO 2016 is not applicable.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 and hence clause (iii) of the CARO 2016 is not applicable.

(iv) According to the information and explanations given to us, the Company has not granted any loans, made investments or provided guarantees and securities to which provision of section 185 and 186 of the Companies Act, 2013 apply and hence reporting under clause (iv) of the CARO 2016 is not applicable.

(v) To the best of our knowledge and according to the information and explanations given to us, the Company has not accepted any deposit during the year and hence reporting under clause (v) of the CARO 2016 is not applicable.

(vi) Having regard to the nature of the Company's business / activities, reporting under clause (vi) of CARO 2016 is not applicable.

(vii) To the best of our knowledge and according to the information and explanations given to us, in respect of statutory dues:

(a) The Company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Income-Tax, Goods and Service Tax, cess and other material statutory dues applicable to it to the appropriate authorities. According to the information and explanations given to us, Employees' State Insurance Custom Duty, Value Added Tax is not applicable to the Company.

(b) There were no undisputed amounts payable in respect of Provident Fund, Income-Tax, Goods and Service Tax, cess and other material statutory dues in arrears as at 31st March 2021 for a period of more than six months from the date they became payable. Employees' State Insurance, Custom Duty, Value Added Tax is not applicable to the Company.

(c) There are no dues of Income-tax, Service Tax, Goods and Service Tax and Value Added Tax as on 31 March 2021 on account of disputes.

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(viii) To the best of our knowledge and according to the information and explanations given to us, the Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause (viii) of CARO 2016 is not applicable to the Company.

(ix) To the best of our knowledge and according to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the CARO 2016 is not applicable.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us, during the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Pallavi A. Gorakshakar
(Partner)
(Membership No.105035)
(UDIN:21105035AAAAEM7652)

Place: Mumbai
Date: 17th May 2021

IIFL WEALTH ALTIORE LIMITED
(FORMERLY IIFL ALTIORE ADVISORS LIMITED)
BALANCE SHEET AS AT MARCH 31, 2021

(₹ in '000)

Sr. No.	Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
	ASSETS			
1	**Financial Assets**			
(a)	Cash and cash equivalents	3	9,338.74	9,351.50
(b)	Receivables			
	Trade receivables	4	-	37,612.66
(c)	Loans	5	-	190.74
(d)	Other financial assets	6	-	255.18
2	**Non-Financial Assets**			
(a)	Current tax assets (net)		4,194.19	4,184.87
(b)	Deferred tax assets (net)	7	-	80.32
(c)	Property, plant and equipment	8	20.41	31.51
(d)	Other non-financial assets	9	19.85	-
	Total Assets		**13,573.19**	**51,706.78**
	LIABILITIES AND EQUITY			
	LIABILITIES			
1	**Financial Liabilities**			
(a)	Payables			
	Trade payables			
	(i) total outstanding dues of micro enterprises and small enterprises		-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	10	389.00	9,933.42
(b)	Borrowings	11	-	18,185.92
(c)	Other financial liabilities	12	-	3,314.07
2	**Non-Financial Liabilities**			
(a)	Provisions	13	-	204.68
(b)	Deferred tax liabilities (net)	7	1.62	-
(c)	Other non-financial liabilities	14	-	6,573.58
3	**EQUITY**			
(a)	Equity share capital	15	1,246.72	1,246.72
(b)	Other equity	16	11,935.85	12,248.39
	Total Liabilities and Equity		**13,573.19**	**51,706.78**

See accompanying Notes to the Financial Statements

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Pallavi A. Gorakshakar
Partner

For and on behalf of Board of Directors

Yatin Shah
Director
(DIN: 03231090)

Abhishek Chandra
Director
(DIN: 08696992)

Place : Mumbai
Date : May 17, 2021

IIFL WEALTH ALTIORE LIMITED
(FORMERLY IIFL ALTIORE ADVISORS LIMITED)
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

(₹ in '000)

Sr. No.	Particulars	Note No.	2020-21	2019-20
1	**Revenue from operations**			
	Fees and commission income	17	124.18	54,049.37
	Total revenue from operations		**124.18**	**54,049.37**
2	**Other income**	18	1,013.31	126.38
2	**Total income**		**1,137.49**	**54,175.75**
	Expenses			
(a)	Finance costs	19	887.12	1,188.90
(b)	Impairment on financial instruments	20	-	(26.85)
(c)	Employee benefits expenses	21	45.16	37,347.97
(d)	Depreciation, amortization and impairment	8, 25	11.10	892.52
(e)	Other expenses	22	435.95	2,739.60
3	**Total expenses**		**1,379.33**	**42,142.13**
4	**Profit/(loss) before tax (2-3)**		**(241.84)**	**12,033.62**
5	**Tax expense:**			
(a)	Current tax	23	-	1,220.06
(b)	Deferred tax	23	81.93	(80.32)
6	**Profit/(loss) for the year (4-5)**		**(323.77)**	**10,893.87**
7	**Other comprehensive income**			
(a)	(i) Items that will not be reclassified to profit or loss		-	-
	- Remeasurements of Employee Benefits		11.23	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	Other comprehensive income/(loss)		**11.23**	**-**
8	**Total comprehensive income/(loss) for the period (6+7) (Comprising income/(loss) and other comprehensive income/(loss) for the year)**		**(312.54)**	**10,893.87**
9	**Earnings per equity share**			
	Basic (Rs.)	24	(2.60)	90.14
	Diluted (Rs.)	24	(2.60)	90.14

See accompanying Notes to the Financial Statements

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Pallavi A. Gorakshakar
Partner

For and on behalf of Board of Directors

Yatin Shah
Director
(DIN: 03231090)

Abhishek Chandra
Director
(DIN: 08696992)

Place : Mumbai
Date : May 17, 2021

IIFL WEALTH ALTIORE LIMITED
(FORMERLY IIFL ALTIORE ADVISORS LIMITED)
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2021

(₹ in '000)

Particulars	2020-21	2019-20
A. Cash flows from operating activities		
Net profit/(loss) before taxation	(230.61)	12,033.62
Adjustments for:		
Depreciation & amortisation	11.10	892.52
Gain on Termination- Premises	-	(122.63)
Impairment on Financial Instrument	-	(26.85)
Receivables written off	-	268.50
Interest expenses	887.12	1,188.90
Operating profit/(loss) before working capital changes	**667.61**	**14,234.06**
Changes in working Capital :		
(Increase)/ Decrease in Financial/Non-financial Assets	38,038.74	(37,717.40)
Increase/ (Decrease) in Financial/Non-financial Liabilities	(19,636.76)	19,717.63
Cash generated from/(used in) operating activities	**19,069.59**	**(3,765.72)**
Net income tax (paid) / refunds	(9.31)	(5,404.94)
Net cash generated from/(used in) operating activities (A)	**19,060.28**	**(9,170.65)**
B. Cash flows from investing activities		
Purchase/sale of Property, plant and equipment (includes intangible assets)	-	(33.30)
Net cash generated from/(used in) investing activities (B)	**-**	**(33.30)**
C. Cash flows from financing activities		
Issuance of share capital	-	12,499.89
Intercorporate Deposit - taken	5,893.64	25,907.66
Intercorporate Deposit - repaid	(24,079.56)	(18,820.74)
Lease payments	-	(912.73)
Interest paid	(887.12)	(1,044.26)
Net cash (used in)/generated from financing activities (C)	**(19,073.04)**	**17,629.81**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**(12.76)**	**8,425.86**
Opening Cash & cash equivalents	9,351.50	925.64
Closing Cash & cash equivalents	**9,338.74**	**9,351.50**

See accompanying Notes to the Financial Statements

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Pallavi A. Gorakshakar
Partner

For and on behalf of Board of Directors

Yatin Shah
Director
(DIN: 03231090)

Abhishek Chandra
Director
(DIN: 08696992)

Place : Mumbai
Date : May 17, 2021

IIFL WEALTH ALTIORE LIMITED
(FORMERLY IIFL ALTIORE ADVISORS LIMITED)

STATEMENT OF CHANGES IN EQUITY

(₹ in '000)

Particulars	Equity Attributable to Owners of the Company			
	Equity Share Capital	Reserves & Surplus		Total Other Equity
		Securities Premium	Retained Earnings	
Balance at the 1st April 2020	1,246.72	12,337.22	(88.83)	12,248.39
Loss for the year	-	-	(323.77)	(323.77)
Other Comprehensive income	-	-	11.23	11.23
Balance as at 31st March 2021	**1,246.72**	**12,337.22**	**(401.37)**	**11,935.85**

STATEMENT OF CHANGES IN EQUITY

(₹ in '000)

Particulars	Equity Attributable to Owners of the Company			
	Equity Share Capital	Reserves & Surplus		Total Other Equity
		Securities Premium	Retained Earnings	
Balance at the 1st April 2019	1,084.05	-	(10,982.70)	(10,982.70)
Shares issued during the year	162.67	12,337.22	-	12,337.22
Profit for the year	-	-	10,893.87	10,893.87
Balance as at 31st March 2020	**1,246.72**	**12,337.22**	**(88.83)**	**12,248.39**

Note
Retained Earnings
Retained earnings are the profit/(loss) that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

Securities premium account includes the difference between face value of equity shares and consideration in respect of shares issued. The issue expenses of securities which qualify as equity instruments are written off against securities premium account.

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Pallavi A. Gorakshakar
Partner

For and on behalf of Board of Directors

Yatin Shah
Director
(DIN: 03231090)

Abhishek Chandra
Director
(DIN: 08696992)

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Place : Mumbai
Date : May 17, 2021

IIFL WEALTH ALTIORE LIMITED
(FORMERLY IIFL ALTIORE ADVISORS LIMITED)
Notes forming part of Financial Statements for the Year ended March 31, 2021

Note 1. Corporate Information:

IIFL WEALTH ALTIORE LIMITED (FORMERLY IIFL ALTIORE ADVISORS LIMITED) ("the Company") is registered as a public limited company as defined under the provisions of Companies Act,2013 ("the Act") and was incorporated on 21st October 2016. The objects to be pursued by the company on its incorporation are to carry on the business of advisory and consultancy in various fields including financial consultancy, wealth management, real estate consulting, stock advisory services, deal/distribution of financial products, financial intermediation, investment advisory, strategy consulting, data analytics and company shall not engage in any kind of NBFI/NBFC activities. In November 2018, IIFL Wealth Management Limited acquired 100% shareholding into the company.

Note 2 – Significant Accounting Policies

a) Statement of Compliance:

The Company's financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and amendments thereof issued by Ministry of Corporate Affairs in exercise of the powers conferred by section 133 of the Companies Act, 2013. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations require a different treatment.

These financials statements have been approved for issue by the Board of Directors of the Company at their meeting held on May 14, 2021

b) Revenue recognition

Revenue is recognised when the promised goods and services are transferred to the customer i.e. when performance obligations are satisfied. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

The following is a description of principal activities from which the Group generates its revenue.

- Advisory Fees: Revenue is recognised over time or when the outcome of a transaction can be estimated reliably by reference to the stage of completion of the transaction in accordance with the underlying arrangements
- Others: Revenue is recognised over time when the outcome of a transaction can be estimated reliably by reference to the stage of completion of the transaction.

c) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

- **Financial assets**

  Initial recognition and measurement:

  The Company recognizes a financial asset in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial assets. However, trade receivables that do not contain a significant financing component are measured at transaction price.

  Subsequent measurement:

  For subsequent measurement, the Company classifies a financial asset in accordance with the Company's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset.

  Based on the above criteria, the Company classifies its financial assets into the following categories:
  i. Financial assets measured at amortized cost
  ii. Financial assets measured at fair value through other comprehensive income (FVTOCI)
  iii. Financial assets measured at fair value through profit or loss (FVTPL)

  i. Financial assets measured at amortized cost:

  A financial asset is measured at the amortized cost if both the following conditions are met:
  - The Company's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and
  - The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

  This category applies to Cash and Bank balances, Trade and Other receivables, Loans and Other financial assets of the Company. Such financial assets are subsequently measured at amortized cost using the effective interest method.

  ii. Financial assets measured at FVTOCI:

  A financial asset is measured at FVTOCI if both of the following conditions are met:
  - The Company's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and
  - The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the above category, income by way of interest and dividend, provision for impairment are recognized in the statement of profit and loss and changes in fair value (other than on account of above income or expense) are recognized in other comprehensive income and accumulated in other equity. On disposal of such debt instruments at FVTOCI financial assets, the cumulative gain or loss previously accumulated in other equity is reclassified to Statement of Profit and Loss.

iii. Financial assets measured at FVTPL:

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as mentioned above. This is a residual category applied to all other investments of the Company excluding investments in associate Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss.

Derecognition:
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Company's Balance Sheet) when any of the following occurs:

- The contractual rights to cash flows from the financial asset expires;
- The Company transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;
- The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);
- The Company neither transfers nor retains, substantially all risk and rewards of ownership, and does not retain control over the financial asset.

On Derecognition of a financial asset, (except as mentioned in ii above for financial assets measured at FVTOCI), the difference between the carrying amount and the consideration received is recognized in the Statement of Profit and Loss.

Impairment of financial assets:

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not measured at FVTPL. Expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

- Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

- The Company measures the loss allowance on financial assets at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for that financial asset at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the lifetime expected credit losses and represent cash shortfalls that will result if default occurs within the 12 months weighted by the probability of default after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

- When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables and financial assets arising from transactions with in the scope of Ind AS 115 the Company measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and forward-looking information.

The Company writes off a financial asset when there is information indicating that the obligor is in severe financial difficulty and there is no realistic prospect of recovery.

- **Financial Liabilities**

Initial recognition and measurement:

The Company recognizes a financial liability in its Balance Sheet when it becomes party to the contractual provisions of the instrument. Having regards to the terms and structure of issuance, Financial Liabilities are categorized as follows:

(i) recognized at amortised costs
(ii) recognized at fair value through profit and loss (FVTPL) including the embedded derivative component if any, which is not separated.
(iii) where there is an embedded derivative as part of the financial liability, such embedded derivative is separated and recorded at fair value and the remaining component is categorized as on amortised costs.

Subsequent measurement:

(i) All financial liabilities of the Company are categorized as subsequently measured at amortized cost are subsequently measured using the effective interest method.

(ii) All financial liabilities of the Company are categorized at fair value are subsequently measured at fair value through profit and loss statement.

(iii) For derivatives embedded in the liability, the embedded derivative is subsequently measured at fair value through profit and loss and the liability is subsequently measured at amortised cost using the effective interest method.

Derecognition: A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

e) Fair Value

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
• In the principal market for the asset or liability, or
• In the absence of a principal market, in the most advantageous market for the asset or liability.
All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).
Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3 —inputs that are unobservable for the asset or liability
For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

f) Measurement of foreign currency items at reporting date

Foreign currency monetary items of the Company are translated at the closing exchange rates. Non-monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction. Nonmonetary items that are measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured.

Exchange differences arising out of these translations are recognized in the Statement of Profit and Loss.

g) Income Taxes

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current tax:

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible in accordance with applicable tax laws. Current tax is measured using tax rates that have been enacted or substantively enacted by the end of reporting period.

Deferred tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income tax Act, 1961. Deferred tax liabilities are generally recognized for all taxable temporary differences. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized. Also, for temporary differences that arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all such deferred tax assets to be utilized.
Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.
Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the company will pay normal income tax during the specified period.

Presentation of current and deferred tax:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognized in Other Comprehensive Income.
The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

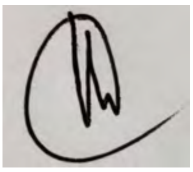
h) Provisions and Contingencies
The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.
The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).
A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

i) Cash and Cash Equivalents
Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less.

j) Employee Benefits

Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.



Post-Employment Benefits:

(I) Defined contribution plans:

Defined contribution plans are post-employment benefit plans under which the Company pays fixed contributions into state managed retirement benefit schemes and will have no legal or constructive obligation to pay further contributions, if any, if the state managed funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. The Company's contributions to defined contribution plans are recognised in the Statement of Profit and Loss in the financial year to which they relate. The Company operates defined contribution plans pertaining to Employee State Insurance Scheme and Government administered Pension Fund Scheme for all applicable employees and the Company also operates Defined Contribution Plans pertaining to Provident Fund Scheme.

Recognition and measurement of defined contribution plans: The Company recognizes contribution payable to a defined contribution plan as an expense in the Statement of Profit and Loss when the employees render services to the Company during the reporting period. If the contributions payable for services received from employees before the reporting date exceeds the contributions already paid, the deficit payable is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

II. Defined benefit plans:

Gratuity is post-employment benefit and is in the nature of defined benefit plan. The liability recognized in the Balance Sheet in respect of gratuity is the present value of defined benefit obligation at the Balance Sheet date together with the adjustments for unrecognized actuarial gain or losses and the past service costs. The defined benefit obligation is calculated at or near the Balance Sheet date by an independent actuary using the projected unit credit method.

Recognition and measurement of defined benefit plans:

The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognized in the Balance Sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if applicable. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in future contributions to the plan.

All expenses represented by current service cost, past service cost if any and net interest on the defined benefit liability (asset) are recognized in the Statement of Profit and Loss. Remeasurements of the net defined benefit liability (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability/asset), are recognized in Other Comprehensive Income. Such remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

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k) Borrowing Cost

Borrowing cost includes interest, amortization of transaction costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized, if any. All other borrowing costs are expensed in the period in which they occur.

l) Earnings Per Share:

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.
For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented.

m) Leases - Ind AS 116

The Company assesses whether a contract contains a lease, at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company considers whether (i) the contract involves the use of identified asset; (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of lease and (iii) the Company has right to direct the use of the asset.

As a lessee
The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located, less any lease incentives received.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. Where appropriate, the right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised.

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The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprises of fixed payments, including in-substance fixed payments, amounts expected to be payable under a residual value guarantee and the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option.

The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option.

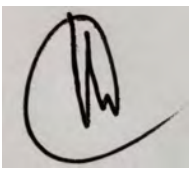
When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease liability and the right of use asset have been separately presented in the balance sheet and lease payments have been classified as financing activities.

The Company has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of less than or equal to 12 months with no purchase option and assets with low value leases. The Company recognises the lease payments associated with these leases as an expense in statement of profit and loss over the lease term. The related cash flows are classified as operating activities.

As a lessor

Leases for which the Company is a lessor is classified as finance or operating leases. When the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. The Company recognizes income on operating leases based on the contractual arrangements.



n) KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Company's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Critical accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

- Defined Benefit Obligation
The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates.

- Fair value measurement of Financial Instruments
When the fair values of financials assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

- Expected Credit Loss
The provision for expected credit loss involves estimating the probability of default and loss given default based on the past experience and other factors.

- Lease

1. <u>Determination of lease term</u>
Ind AS 116 Leases requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised.

2. <u>Discount rate</u>
The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

<u>Changes in accounting policies / Transition note:</u>

On 30 March 2019, the Ministry of Corporate Affairs ("MCA") through the Companies (Indian Accounting Standards) Amendment Rules, 2019 and the Companies (Indian Accounting Standards) Second

Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases and other interpretations.

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

Effective from 1 April 2019 (‘the date of transition’), the Company applied Ind AS 116 using the modified retrospective approach, wherein Right-of-use (‘ROU’) asset is recognised at an amount equal to the lease liability. Accordingly, the comparative information is not restated – i.e. it is presented, as previously reported, under Ind AS 17. Additionally, the disclosure requirements in Ind AS 116 have not generally been applied to comparative information.

The Company as a lessee

As a lessee, the Company leases assets which includes office premises and vehicles to employees. The Company previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Company. Under Ind AS 116, the Company recognises right-of-use assets and lease liabilities for these leases.

On transition, for leases classified as operating leases under Ind AS 17, the lease liabilities are measured at the present value of the remaining lease payments, discounted at the Company’s incremental borrowing rate as at 1 April 2019. Right-of-use assets are measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments. The Company has tested its right-of-use assets for impairment on the date of transition and has concluded that there is no indication that the right-of-use assets are impaired.

Following is the summary of practical expedients elected on initial application:

- excluded initial direct costs from the measurement of the right-of-use asset at the date of initial application;

The difference between the future minimum lease rental commitments towards non-cancellable operating leases reported as at March 31, 2019 compared to the lease liability as accounted as at April 1, 2019 is primarily due to inclusion of present value of the lease payments for the cancellable term of the leases, reduction due to discounting of the lease liabilities as per the requirement of Ind AS 116 and exclusion of the commitments for the leases to which the Company has chosen to apply the practical expedient as per the standard.

The Company as a lessor

The Company is not required to make any adjustments on transition to Ind AS 116 for leases in which it acts as a lessor. The Company accounted for its leases in accordance with Ind AS 116 from the date of initial application i.e. from April 1, 2019.

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Note 3. Cash and Cash Equivalents **(₹ in '000)**

Particulars	As at March 31, 2021	As at March 31, 2020
Cash and Cash Equivalents (As per Ind AS 7 Statement of Cashflows)		
Balance with banks		
-In current accounts	9,338.74	9,351.50
Cash and cash equivalents (As per Ind AS 7 Statement of Cashflows)	**9,338.74**	**9,351.50**

Note 4. Receivables (Refer Note 29)

Particulars	As at March 31, 2021	As at March 31, 2020
(i) Trade receivables		
Receivables considered good - Unsecured	-	37,612.66
Total (i)- Gross	**-**	**37,612.66**
Less: Impairment loss allowance	-	-
Total (i)- Net	**-**	**37,612.66**

a) No trade receivables are due from directors or from other officers of the Company either severally or jointly with any other person nor any trade receivables are due from firms or private companies respectively in which any directors is a partner, director or a member as at 31st March 2021 and 31st March 2020.

b) There are no credit impaired receivables as at 31st March 2021.

c) No trade receivables are interest bearing.

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Note 5. Loans **(₹ in '000)**

Loans	As at March 31, 2021						As at March 31, 2020					
	Amortised cost	At Fair value			Subtotal	Total	Amortised cost	At Fair value			Subtotal	Total
		Through Other Comprehensive Income	Through profit or loss					Through Other Comprehensive Income	Through profit or loss			
							7	8	9	10	(11=8+9+10)	(12=(7)+ (11)
(A)												
(i) Term loans	-	-	-	-			-	-	-	-	-	-
(ii) Others-Staff Loan	-	-	-	-			190.74	-	-	-	-	190.74
Total (A) -Gross	**-**	**-**	**-**	**-**			**190.74**	**-**	**-**	**-**	**-**	**190.74**
Less:Impairment loss allowance	-	-	-	-			-	-	-	-	-	-
Total (A) - Net	**-**	**-**	**-**	**-**			**190.74**	**-**	**-**	**-**	**-**	**190.74**
(B)												
(i) Secured by tangible	-	-	-	-			-	-	-	-	-	-
(ii) Unsecured	-	-	-	-			190.74	-	-	-	-	190.74
Total (B)-Gross	**-**	**-**	**-**	**-**			**190.74**	**-**	**-**	**-**	**-**	**190.74**
(C)												
(I) Loans in India	-	-	-	-			190.74	-	-	-	-	190.74
Less: Impairment loss allowance	-						-					-
Total(C) (I)-Net	**-**	**-**	**-**	**-**			**190.74**	**-**	**-**	**-**	**-**	**190.74**
(II)Loans outside India	-	-	-	-			-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-			-	-	-	-	-	-
Total (C) (II)- Net	-	-	-	-			-	-	-	-	-	-
Total C(I) and C(II)	**-**	**-**	**-**	**-**			**190.74**	**-**	**-**	**-**	**-**	**190.74**

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Note 6. Other financial assets **(₹ in '000)**

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good		
Other deposits	-	254.50
Receivables from Group/Holding company	-	0.68
Total	**-**	**255.18**

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Note 7. Deferred Taxes

Significant components of deferred tax assets and liabilities for the year ended March 31, 2021 are as follows:

(₹ in '000)

	Opening balance	Recognised in profit or loss	Recognised in/reclassified from OCI	Closing balance
Deferred tax assets:				
Retirement benefits for employees	51.51	(51.51)	-	-
Impact of INDAS 116	30.86	(30.86)	-	-
Total deferred tax assets (A)	**82.38**	**(82.38)**	**-**	**-**
Offsetting of deferred tax (assets) with deferred tax liabilities	-	-	-	-
Net Deferred tax (assets)	**82.38**	**(82.38)**	**-**	**-**
Deferred tax liabilities:				
Difference between book base and tax base for:	2.06	(0.45)	-	1.62
Total deferred tax liabilities (B)	**2.06**	**(0.45)**	**-**	**1.62**
Offsetting of deferred tax liabilities with deferred tax (assets)	-	-	-	-
Net Deferred tax liabilities	**2.06**	**(0.45)**	**-**	**1.62**
Deferred tax assets (A - B)	**80.32**	**(81.93)**	**-**	**(1.62)**

Significant components of deferred tax assets and liabilities for the year ended March 31, 2020 are as follows:

(₹ in '000)

	Opening balance	Recognised in profit or loss	Recognised in/reclassified from OCI	Closing balance
Deferred tax assets:				
Retirement benefits for employees	-	51.51	-	51.51
Provision for expenses	-	30.86	-	30.86
Total deferred tax assets (A)	**-**	**82.38**	**-**	**82.38**
Offsetting of deferred tax (assets) with deferred tax liabilities	-	-	-	-
Net Deferred tax (assets)	**-**	**82.38**	**-**	**82.38**
Deferred tax liabilities:				
Difference between book base and tax base for:	-	2.06	-	2.06
Total deferred tax liabilities (B)	**-**	**2.06**	**-**	**2.06**
Offsetting of deferred tax liabilities with deferred tax (assets)	-	-	-	-
Net Deferred tax liabilities	**-**	**2.06**	**-**	**2.06**
Deferred tax assets (A - B)	**-**	**80.32**	**-**	**80.32**

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Note 8. Property Plant and Equipment

(₹ in '000)

Particulars	Computers	Total
Gross Block as on April 01, 2020	**33.30**	**33.30**
Additions	-	-
Deductions/adjustments during the year	-	-
As at March 31, 2021	**33.30**	**33.30**
Depreciation		
Upto April 01, 2020	**1.79**	**1.79**
Depreciation for the year	11.10	**11.10**
Deductions/adjustments during the year	-	-
Upto March 31, 2021	**12.89**	**12.89**
Net Block as at March 31, 2021	**20.41**	**20.41**

(₹ in '000)

Particulars	Computers	Total
Gross Block as on April 01, 2019	-	-
Additions	33.30	**33.30**
Deductions/adjustments during the year	-	-
As at March 31, 2020	**33.30**	**33.30**
Depreciation		
Upto April 01, 2019	-	-
Depreciation for the year	1.79	**1.79**
Deductions/adjustments during the year	-	-
Upto March 31, 2020	**1.79**	**1.79**
Net Block as at March 31, 2020	**31.51**	**31.51**

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Note 9. Other Non Financial Assets **(₹ in '000)**

Particulars	**As at March 31, 2021**	**As at March 31, 2020**
Statutory remittances	19.85	-
Total	**19.85**	**-**

Note 10. Trade Payables **(₹ in '000)**

Particulars	**As at March 31, 2021**	**As at March 31, 2020**
Trade payables		
-(i)Total outstanding dues of micro enterprises and small enterprises	-	-
-(ii)Total outstanding dues of creditors other than micro enterprises and small enterprises	389.00	9,933.42
Total	**389.00**	**9,933.42**

Note 10.1. Disclosure under The Micro, Small and Medium Enterprises Development Act, 2006

The following disclosure is made as per the requirement under the Micro, Small and Medium Enterprises Development Act, 2016 (MSMED) on the basis of confirmations sought from suppliers on registration with the specified authority under MSMED:

Particulars	**FY 2020-21**	**FY 2019-20**
(a) Principal amount remaining unpaid to any supplier at the year end	-	-
(b) Interest due thereon remaining unpaid to any supplier at the year end	-	-
(c) Amount of interest paid and payments made to the supplier beyond the appointed day during the year	-	-
(d) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	-	-
(e) Amount of interest accrued and remaining unpaid at the year end	-	-
(f) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Act	-	-

There are no amounts due to the suppliers covered under Micro, Small and Medium Enterprises Development Act, 2006. This information takes into account only those suppliers who have responded to the enquiries made by the Company for this purpose. This has been relied upon by the auditors. No interest is payable in respect of the same.

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Note 11. Borrowings (other than Debt securities) (₹ in '000)

Particulars	As at March 31, 2021				As at March 31, 2020			
	At Amortised Cost	At Fair Value Through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At Fair Value Through profit or loss	Designated at fair value through profit or loss	Total
	1	2	3	4=1+2+3	1	2	3	4=1+2+3
(a)Term loans								
- from related parties (Refer Note 1 & 2 below) (Refer note 29)	-	-	-	-	18,185.92	-	-	18,185.92
Total (A)	**-**	**-**	**-**	**-**	**18,185.92**	**-**	**-**	**18,185.92**
Borrowings in India	-	-	-	-	18,185.92	-	-	18,185.92
Borrowings outside India	-	-	-	-	-	-	-	-
Total (B) to tally with (A)	**-**	**-**	**-**	**-**	**18,185.92**	**-**	**-**	**18,185.92**

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Residual maturity	As at March 31, 2021		As at March 31, 2020	
At Amortised cost	Balance outstanding	Interest rate % (p.a)	Balance outstanding	Interest rate % (p.a)
Less than 1 year	-	-	18,185.92	9.91%
1-5 years	-	-	-	-
Above 5 years	-	-	-	-

2 Term Loans and Loans repayable on demand from related parties are unsecured.

Note 12. Other Financial Liabilities (₹ in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
Interest accrued but not due	-	277.96
Payable to holding company / group companies	-	3,036
Total	**-**	**3,314.07**

Note 13. Provisions: (₹ in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits	-	204.68
Total	**-**	**204.68**

Note 14. Other Non Financial Liabilities:

Particulars	As at March 31, 2021	As at March 31, 2020
Statutory remittances	-	6,573.58
Total	**-**	**6,573.58**

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Note 15. Share Capital: **(₹ in '000)**

(a) The authorised, issued, subscribed and fully paid up share capital comprises of equity shares having a par value of ₹ 10/- as follows:

Authorised :	**As at March 31, 2021**	**As at March 31, 2020**
150,000 Equity shares (Previous year 150,000 Equity shares) of ₹ 10/- each with voting rights.	1,500.00	1,500.00
Issued, Subscribed and Paid Up: 124,672 Equity shares (Previous year 124,672 Equity shares) of ₹ 10/- each fully paid up with voting rights	1,246.72	1,246.72
Total	**1,246.72**	**1,246.72**

(b) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.

Particulars	**As at March 31, 2021**		**As at March 31, 2020**	
	No. of shares	**Amount**	**No. of shares**	**Amount**
At the beginning of the year	124,672	1,246.72	108,405	1,084.05
Add: Issued during the year	-	-	16,267	162.67
Outstanding at the end of the year	**124,672**	**1,246.72**	**124,672**	**1,246.72**

(c) Terms/rights attached to equity shares:

The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/- each. Each holder of equity shares is entitled to one vote per share. No dividend is paid during the year by the Company.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(d) Details of shares held by Holding Company:

Particulars	**As at March 31, 2021**		**As at March 31, 2020**	
	No. of shares	**% holding**	**No. of shares**	**% holding**
IIFL Wealth Management Limited and its nominees	124,672	100%	124,672	100%

(e) Details of shareholders holding more than 5% shares in the Holding Company:

Particulars	**As at March 31, 2021**		**As at March 31, 2020**	
	No. of shares	**% holding**	**No. of shares**	**% holding**
IIFL Wealth Management Limited and its nominees	124,672	100%	124,672	100%

(f) During the period of 5 years immediately preceding the Balance Sheet date, the Company has not issued any equity shares without payment being received in cash, bonus shares and has not bought back any equity shares.

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Note 16. Other Equity: **(₹ in '000)**

Particulars	As at March 31, 2021	As at March 31, 2020
Securities premium	12,337.22	12,337.22
Retained earnings (Refer SOCE)	(401.37)	(88.83)
Total	**11,935.85**	**12,248.39**

Note 17. Fee and Commission Income

Particualrs	2020-21	2019-20
Advisory and Consultancy Service fees	124.18	54,049.37
TOTAL	**124.18**	**54,049.37**

Note 18. Other Income

Particulars	2020-21	2019-20
Gain/ Loss on Termination- Premises	-	122.63
Interest income	-	3.74
Miscellaneous income	1,013.31	-
Total	**1,013.31**	**126.38**

Note 19. Finance Cost **(₹ in '000)**

Particulars	2020-21			2019-20		
	On financial liabilities measured at fair value through profit or loss	On financial liabilities measured at amortised cost	Total	On financial liabilities measured at fair value through profit or loss	On financial liabilities measured at amortised cost	Total
Interest on borrowings	-	887.12	887.12	-	1,041.05	1,041.05
Interest on lease	-	-	-	-	144.64	144.64
Other Finance Costs	-	-	-	-	3.21	3.21
Total	**-**	**887.12**	**887.12**	**-**	**1,188.90**	**1,188.90**

Note 20. Impairment On Financial Instruments **(₹ in '000)**

Particulars	2020-21			2019-20		
	On financial instruments measured at fair value through OCI	On financial instruments measured at amortised cost	Total	On financial instruments measured at fair value through OCI	On financial instruments measured at amortised cost	Total
On Trade Receivables	-	-	-	-	(26.85)	(26.85)
Total	**-**	**-**	**-**	**-**	**(26.85)**	**(26.85)**

Note 21. Employee Benefit Expenses **(₹ in '000)**

Particulars	2020-21	2019-20
Salaries and wages	-	36,992.21
Contribution to provident and other funds	-	178.64
Staff welfare expenses	-	6.60
Gratuity expenses	45.16	170.52
Total	**45.16**	**37,347.97**

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21.1. Gratuity Abridged Disclosure Statement as Per Indian Accounting Standard 19 (Ind AS 19) For the year ended 31st March 2021

(₹ in '000)

Particulars	**2020-21**	**2019-2020**
Type of benefit	Gratuity	Gratuity
Country	India	India
Reporting currency	INR	INR
Reporting standard	Indian Accounting Standard 19 (Ind AS 19)	Indian Accounting Standard 19 (Ind AS 19)
Funding status	Unfunded	Unfunded
Starting period	01-Apr-20	01-Apr-19
Date of reporting	31-Mar-21	31-Mar-20
Period of reporting	12 Months	12 Months
Assumptions (F.Y 2019-2020)		
Expected return on plan assets	N.A.	N.A.
Rate of discounting	6.56%	6.56%
Rate of salary increase	7.50%	7.50%
Rate of employee turnover	For service 4 years and below 15% p.a. & thereafter 7.50% p.a.	For service 4 years and below 15% p.a. & thereafter 7.50% p.a.
Mortality rate during employment	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08)
Assumptions (F.Y 2020-2021)		
Expected return on plan assets	N.A.	
Rate of discounting	N.A.	
Rate of salary increase	N.A.	
Rate of employee turnover	N.A.	
Mortality rate during employment	N.A.	
Table showing change in the present value of projected benefit obligation		
Present value of benefit obligation at the beginning of the period	204.68	-
Interest cost	-	-
Current service cost	-	170.52
Past service cost	-	-
Liability transferred in/ acquisitions	-	34.17
(Liability transferred out/ divestments)	(238.61)	-
(Gains)/ losses on curtailment	-	-
(Liabilities extinguished on settlement)	-	-
(Benefit paid directly by the employer)	-	-
(Benefit paid from the fund)	-	-
The effect of changes in foreign exchange rates	-	-
Actuarial (gains)/losses on obligations - due to change in demographic assumptions	-	-
Actuarial (gains)/losses on obligations - due to change in financial assumptions	-	-
Actuarial (gains)/losses on obligations - due to experience	33.93	-
Present value of benefit obligation at the end of the period	-	204.68
Amount recognized in the balance sheet		
(Present value of benefit obligation at the end of the period)	-	(204.68)
Fair value of plan assets at the end of the period	-	-
Funded status (surplus/ (deficit))	-	(204.68)
Net (liability)/asset recognized in the balance sheet	-	(204.68)
Net interest cost for current period		
Present value of benefit obligation at the beginning of the period	204.68	-
(fair value of plan assets at the beginning of the period)	-	-
Net liability/(asset) at the beginning	204.68	-
Interest cost	-	-
(Interest income)	-	-
Net interest cost for current period	-	-

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Expenses recognized in the statement of profit or loss for current period		
Current service cost	-	170.52
Net interest cost	-	-
Past service cost	-	-
(Expected contributions by the employees)	-	-
(Gains)/losses on curtailments and settlements	-	-
Net effect of changes in foreign exchange rates	-	-
Expenses recognized	-	170.52
Expenses recognized in the other comprehensive income (OCI) for current period		
Actuarial (gains)/losses on obligation for the period	33.93	-
Return on plan assets, excluding interest income	-	-
Change in asset ceiling	-	-
Net (income)/expense for the period recognized in oci	33.93	-
Balance sheet reconciliation		
Opening net liability	204.68	-
Expenses recognized in statement of profit or loss	-	170.52
Expenses recognized in OCI	33.93	-
Net liability/(asset) transfer in	-	34.17
Net (liability)/asset transfer out	(238.61)	-
(Benefit paid directly by the employer)	-	-
(Employer's contribution)	-	-
Net liability/(asset) recognized in the balance sheet	-	204.68
Other details		
No of active members	-	14.00
Per month salary for active members	-	473.24
Weighted average duration of Present benefit obligation	-	16.00
Average expected future service	-	8.00
Projected benefit obligation (pbo)	-	204.68
Prescribed contribution for next year (12 months)	-	-
Net Interest Cost for Next Year		
Present Value of Benefit Obligation at the End of the Period	-	204.68
(Fair Value of Plan Assets at the End of the Period)	-	-
Net Liability/(Asset) at the End of the Period	-	204.68
Interest Cost	-	13.43
(Interest Income)	-	-
Net Interest Cost for Next Year	**-**	**13.43**
Expenses Recognized in the Statement of Profit or Loss for Next Year		
Current Service Cost	-	167.19
Net Interest Cost	-	13.43
(Expected Contributions by the Employees)	-	-
Expenses Recognized	**-**	**180.62**
Maturity analysis of the benefit payments		
1st following year	-	0.34
2nd following year	-	0.32
3rd following year	-	5.69
4th following year	-	5.64
5th following year	-	17.37
Sum of years 6 to 10	-	85.31
Sum of years 11 and above	-	507.56

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Sensitivity analysis		
PBO on current assumptions	-	204.68
Delta effect of +1% change in rate of discounting	-	(25.38)
Delta effect of -1% change in rate of discounting	-	31.02
Delta effect of +1% change in rate of salary increase	-	30.41
Delta effect of -1% change in rate of salary increase	-	(25.39)
Delta effect of +1% change in rate of employee turnover	-	(9.65)
Delta effect of -1% change in rate of employee turnover	-	10.37

Gratuity is payable as per entity's scheme as detailed in the report.

Actuarial gains/losses are recognized in the period of occurrence under Other Comprehensive Income (OCI). All above reported figures of OCI are gross of taxation. During the start of year all employees transferred to group companies. Difference of opening obligation and transfer value is recognised in OCI.

Salary escalation & attrition rate are considered as advised by the entity; they appear to be in line with the industry practice considering promotion and demand & supply of the employees.

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Note 22. Other Expenses:- **(₹ in '000)**

Particulars	**2020-21**	**2019-20**
Operating expenses	5.65	108.07
Rent and energy cost	-	1,372.10
Marketing, advertisement and business promotion expenses	75.00	-
Travelling & conveyance	21.01	684.09
Legal & professional fees	130.06	82.26
Office & other expenses	1.23	293.08
Remuneration to Auditors :		
Audit fees (net of GST input credit)	200.00	200.00
Out Of pocket expenses	3.00	-
Total	**435.95**	**2,739.60**

Note 23. Income taxes
Disclosure pursuant to Ind AS 12 "Income Taxes"
(a) Major components of tax expense/ (income) **(₹ in '000)**

Particulars	**2020-21**	**2019-20**
Statement of Profit and Loss:		
Profit and Loss section:		
(i) Current Income tax :		
Current income tax expense	-	1,220.06
Effect of previously unrecognised tax losses and tax offsets used during the current year	-	-
Tax expense in respect of earlier years	-	-
	-	1,220.06
(ii) Deferred Tax:		
Tax expense on origination and reversal of temporary differences	81.93	(80.32)
Effect of previously unrecognised tax losses and tax offsets on which deferred tax benefit is recognised	-	-
Effect on deferred tax balances due to the change in income tax rate	-	-
	81.93	(80.32)
Income tax expense reported in the statement of profit or loss [(i)+(ii)]	**81.93**	**1,139.75**

(b) Reconciliation of Income tax expense and accounting profit multiplied by domestic tax rate applicable in India: **(₹ in '000)**

Particulars	**2020-21**	**2019-20**
Profit/(loss) before tax	(241.84)	12,033.62
Income tax expense at tax rates applicable to individual entities	-	3,028.62
(i) Tax effect of losses/ provisions of previous year on which deferred tax benefit is recognised in current year	-	(1,880.34)
(ii) Tax effect on various other items	81.93	(8.54)
Total effect of tax adjustments [(i) to (ii)]	81.93	(1,888.87)
Tax expense recognised during the year	81.93	1,139.75
Effective tax rate	-33.88%	9.47%

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Note 24. Earnings Per Share:

Basic and diluted earnings per share [“EPS”] computed in accordance with INDAS 33 ‘Earnings per share”.

Particulars	**2020-21**	**2019-20**
Face value of equity shares in ₹ fully paid up	10.00	10.00
BASIC		
Profit/(Loss) after tax as per statement of profit and loss (A)	(323.77)	10,893.87
Weighted average number of shares subscribed (B)	124,672	120,850
Face value of equity shares (in ₹) fully paid	10.00	10.00
Basic EPS (₹) (A/B)	(2.60)	90.14
DILUTED		
Profit/(Loss) after tax as per statement of profit and loss (A)	(323.77)	10,893.87
Weighted average number of shares subscribed (B)	124,672	120,850
Add: Potential equity shares on account of conversion of employee stock	-	-
Weighted average number of shares outstanding (D=B+C)	124,672	120,850
Diluted EPS (₹) (A/D)	(2.60)	90.14

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Note 25. Disclosure Pursuant to Ind AS 116 "Leases"

Following are the changes in the carrying value of right of use assets for the period ended March 31, 2021:

Particulars		**Premises**	**Vehicles**	**Total**
Balance as at 01 April, 2020		-	-	-
Additions during the year		-	-	-
Depreciation charge for the year		-	-	-
Deletions during the year		-	-	-
Balance as at March 31, 2021		-	-	-

Following are the changes in the carrying value of right of use assets for the period ended March 31, 2020:

Particulars		**Premises**	**Vehicles**	**Total**
Balance as at 01 April, 2019		871.95	-	871.95
Additions during the year		-	2,103.96	2,103.96
Depreciation charge for the year		(491.70)	(399.03)	(890.73)
Deletions during the year		(380.25)	(1,704.93)	(2,085.18)
Balance as at March 31, 2020		-	-	-

The following is the movement in lease liabilities during the year ended March 31, 2021:

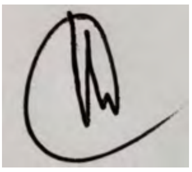
Particulars		**Premises**	**Vehicles**	**Total**
Balance as at 01 April, 2020		-	-	-
Additions		-	-	-
Deletion		-	-	-
Finance cost accrued during the period		-	-	-
Payment of lease liabilities		-	-	-
Balance as at March 31, 2021		-	-	-

The following is the movement in lease liabilities during the year ended March 31, 2020:

Particulars		**Premises**	**Vehicles**	**Total**
Balance as at 01 April, 2019		871.95	-	871.95
Additions		-	2,103.96	2,103.96
Deletion		(394.75)	(1,813.06)	(2,207.81)
Finance cost accrued during the period		22.80	121.84	144.64
Payment of lease liabilities		(500.00)	(412.73)	(912.73)
Balance as at March 31, 2020		-	-	(0.00)

Following is the break up value of the Current and Non - Current Lease Liabilities

Particulars	**As at March 31, 2021**		**As at March 31, 2020**	
	Premises	**Vehicles**	**Premises**	**Vehicles**
Current lease liabilities	-	-	-	-
Non-current lease liabilities	-	-	-	-
Total	**-**	**-**	**-**	**-**



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Note 26. Disclosure Pursuant to Ind AS 107 "Financial Instruments: Disclosures"
Financial Risk Management
26A.1. Credit Risk
Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk assessement on various components is described below:

1) **Trade receivables, Other receivables and Other Financial Assets**
The Company has detailed review mechanism for reviewing receivables periodically. The Company has made lifetime expected credit loss provision based on provision matrix which takes into account historical experience in collection and credit losses.

Movement in the Expected Credit Loss/Impariment Loss allowance with regards to trade receivables is as follows:

Particulars	Year ended 31/03/2021	Year ended 31/03/2020
Balance at the beginning of the year	-	26.85
Movement in the expected credit loss allowances on trade receivables	-	(26.85)
Balance at the end of the year	-	-

2) **Others**
In addition to the above, Balances and deposits with banks also have exposure to credit risk.
Credit risk on Balances and deposits with banks is limited as these balances are generally held with banks and financial institutions with high credit ratings and/or with capital adequacy ratio above the prescribed regulatory limits.

26B. Liquidity Risk
Liquidity risk refers to the risk that the Company may not be able to meet its short-term financial obligations. The Company manages liquidity risk by maintaining sufficient cash and marketable securities and by having access to funding through an adequate amount of credit lines. Further, The Company has well defined Asset Liability Management (ALM) Framework with an appropriate organizational structure to regularly monitor and manage maturity profiles of financial assets and financial liabilities including debt financing plans, cash and cash equivalent instruments to ensure liquidity. The Company seeks to maintain flexibility in funding mix by way of sourcing the funds through money markets, debt markets and banks to meet its business and liquidity requirements.

The following table shows the maturity profile of Financial liabilities: **(₹ in '000)**

	As at 31st March 2021					
Financial liabilities	**Total**	**Less than 1 months**	**1 months to 6 months**	**6 months to 1 year**	**Between 1 to 5**	**5 years and above**
Trade Payables	389.00	389.00	-	-	-	-
Borrowings (Other than Debt Securities)	-	-	-	-	-	-
Other financial liabilities	-	-	-	-	-	-
Total	**389.00**	**389.00**	**-**	**-**	**-**	**-**

	As at 31st March 2020					
Financial liabilities	**Total**	**Less than 1 months**	**1 months to 6 months**	**6 months to 1 year**	**Between 1 to 5 years**	**5 years and above**
Trade Payables	9,933.42	9,846.73	86.69	-	-	-
Borrowings (Other than Debt Securities)	18,185.92	-	18,185.92	-	-	-
Other financial liabilities	3,314.07	147.70	3,166.37	-	-	-
Total	**31,433.41**	**9,994.43**	**21,438.98**	**-**	**-**	**-**

26C. Market Risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in futures cash flows that may result from a change in the price of a financial instrument.

26C.1 Currency Risk
The Company does not have any transactions in foreign currency and hence it is not exposed to Foreign currency risk.

26C.2 Interest rate risk
The Company has considered interest rate risk on financial assets and liabilities accounted for on amortised cost basis.
The Company has no financials assets or liabilities which are exposed to interest rate risk.
The Company has measured interest rate risk sensitivity on financial assets and liabilities on financial instruments accounted for on amortised cost basis. Since all loans and borrowings are fixed rate there is no interest rate sensitivity.

26C3. Other Price Risk
Other price risk is related to the change in market reference price of the derivative financial instruments, investments and debt securities which are fair valued and exposes the Company to price risks.
The Company has no financials assets or liabilities which are exposed to price risk.

26D.Capital Management
The Company's capital management is intended to create value for shareholders. The assessment of Capital level and requirements are assessed having regard to long-and short term strategies of the Company and regulatory capital requirements of its businesses and constituent entities.

26E. Category Wise Classification for applicable Financial Assets and Liabilities **(₹ in '000)**

Sr No.	**Particulars**	As at 31st March 2021			
		Measured at amortised cost	**Measured at fair value through profit or loss(P/L)**	**Measured at fair value through other comprehensive income (OCI)**	**Total**
	Financial Assets				
(a)	Cash and cash equivalents	9,338.74	-	-	9,338.74
	Total	**9,338.74**	**-**	**-**	**9,338.74**
	Financial Liabilities				
(a)	Payables				-
	(I)Trade payables				-
	(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	389.00	-	-	389.00
	Total	**389.00**	**-**	**-**	**389.00**

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Notes forming part of Financial Statements for the Year ended March 31, 2021

26E. Category Wise Classification for applicable Financial Assets and Liabilities (₹ in '000)

Sr No.	Particulars	As at 31st March 2020			
		Measured at amortised cost	Measured at fair value through profit or loss(P/L)	Measured at fair value through other comprehensive income (OCI)	Total
	Financial Assets				
(a)	Cash and cash equivalents	9,351.50	-	-	9,351.50
(b)	Receivables				-
	(I) Trade receivables	37,612.66	-	-	37,612.66
(c)	Loans	190.74	-	-	190.74
(d)	Other financial assets	255.18	-	-	255.18
	Total	**47,410.08**	**-**	**-**	**47,410.08**
	Financial Liabilities				
(a)	Payables				-
	(I)Trade payables				-
	(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	9,933.42	-	-	9,933.42
(b)	Borrowings	18,185.92	-	-	18,185.92
(c)	Other financial liabilities	3,314.07	-	-	3,314.07
	Total	**31,433.41**	**-**	**-**	**31,433.41**

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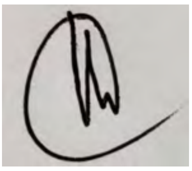

IIFL ALTIORE ADVISORS LIMITED
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26E.1. Fair values of financial instruments

The Company measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

– Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.

– Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

– Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs that are not observable and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

26E. 1a Fair value of financial assets and financial liabilities measured at amortised cost **(₹ in '000)**

Financial Assets and liabilities which are measured at amortised cost for which fair values are disclosed	**As at 31st March 2021**		**As at 31st March 2020**	
	Carrying Value	**Fair Value**	**Carrying Value**	**Fair Value**
Financial Assets				
Cash and cash equivalents	9,338.74	9,338.74	9,351.50	9,351.50
Receivables				
(I) Trade receivables	-	-	37,612.66	37,612.66
(II) Other receivables	-	-	-	-
Loans	-	-	190.74	190.74
Other financial assets	-	-	255.18	255.18
Total	**9,338.74**	**9,338.74**	**47,410.08**	**47,410.08**
Financial Liabilities				
(I)Trade payables				
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	389.00	389.00	9,933.42	9,933.42
Borrowings	-	-	18,185.92	18,185.92
Other financial liabilities	-	-	3,314.07	3,314.07
Total	**389.00**	**389.00**	**31,433.41**	**31,433.41**

Financial assets measured at amortised cost:

The carrying amounts of cash and cash equivalents trade and other receivables and other financial assets are considered to be the same as their fair values due to their short term nature.

Financial liabilities measured at amortised cost:

The carrying amounts of trade payables and other financial liabilities are considered to be the same as their fair values due to their short term nature.

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Note 27. Capital, Other Commitments and Contingent Liabilities at Balance Sheet date:

Capital and Other Commitments
The Company does not have any outstanding commitments of capital expenditure, as on the balance sheet date.

Contingent Liabillities
The Company does not have any contingent liability not provided for, as on the balance sheet date.

Note 28. Segment Reporting
In the opinion of the management, there is only one reportable business segment (mainly in Technology enabled services to the group companies) as envisaged by Ind AS 108 'Operating Segments', as prescribed under section 133 of the Act. Accordingly, no separate disclosure for segment reporting is required to be made in the financial statements of the Company.

Note 29. Related Party Disclosures:
Related party disclosures for the year ended 31st March, 2021

a) List of Related Parties:

Nature of relationship	Name of party
Director/ Key Managerial Personel	Mr. Yatin Shah
	Mr. Abhishek Chandra
	Ms. Parinaz Vakil, Director (Appointed w.e.f March 26,2021)
	Mr. Sandeep Jethwani, Director (Resigned w.e.f. March 30, 2021)
Holding Company	IIFL Wealth Management Limited
Fellow Subsidiaries	IIFL Wealth Prime Limited (Formerly known as IIFL Wealth Finance Limited)
	IIFL Asset Management Limited
	IIFL Investment Adviser and Trustee Services Limited
	IIFL Trustee Limited
	IIFL Wealth Portfolio Managers Limited (Formerly known as IIFL Portfolio Managers Limited)
	IIFL Wealth Distribution Services Limited (Formerly known as IIFL Distribution Services
	IIFL Wealth Securities IFSC Limited (w.e.f June 22, 2018)
	IIFL Wealth Advisors (India) Limited (amalgamated with IIFL Wealth Management Ltd w.e.f December 27, 2019)
	IIFL Wealth Employee Welfare benefit Trust (w.e.f August 01, 2018)
	IIFL Private Wealth Management (Dubai) Limited
	IIFL (Asia) Pte. Limited
	IIFL Inc.
	IIFL Private Wealth Hong Kong Limited *
	IIFL Asset Management (Mauritius) Limited (Formerly Known as IIFL Private Wealth
	IIFL Securities Pte. Limited
	IIFL Capital (Canada) Limited
	IIFL Capital Pte. Limited
	IIFL Wealth Capital Markets Limited (Formerly known as L & T Capital Markets Limited) **
	IIFLW CSR Foundation (w.e.f Jan 20, 2020)
Other related parties	IIFL Finance Limited (Formerly known as IIFL Holdings Limited)
	IIFL Securities Limited (Formerly known as India Infoline Limited)
	IIFL Commodities Limited (Formerly known as India Infoline Commodities Limited)
	IIFL Insurance Brokers Limited (Formerly known as India Infoline Insurance Brokers Limited)
	IIFL Management Services Limited (Formerly known as India Infoline Insurance Services
	IIFL Wealth (UK) Limited
	IIFL Capital Inc.
	IIFL Facilities Services Limited (Formerly known as IIFL Real Estate Limited)
	IIFL Securities Services IFSC Limited
	IIFL Corporate Services Limited (Formerly known as IIFL Asset Reconstruction Limited)
	IIFL Home Finance Limited
	Samasta Microfinance Limited
	Meenakshi Tower LLP (Joint Venture of IIFL Management Services Limited)
	Shreyans Foundation LLP
	FIH Mauritius Investment Limited
	India Infoline Foundation
	5paisa Capital Limited
	5paisa P2P Limited
	5paisa Insurance Brokers Limited
	5paisa Trading Limited
	General Atlantic Singapore Fund Pte Limited
	Mr. Karan Bhagat
	Mrs. Shilpa Bhagat (Spouse of Mr. Karan Bhagat)
	Kush Family Private Trust
	Kyra Family Private Trust
	Kyrush Investments

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Other related parties	Bhagat Family Private Trust
	Kyrush Family Private Trust
	Kyrush Trading & Investments Private Limited (Formerly known as Kyrush Realty Private Limited)
	Mrs. Ami Yatin Shah (Spouse of Mr. Yatin Shah)
	Mr. Prakashchandra Shah (Father of Mr. Yatin Shah)
	Yatin Prakash Shah HUF
	Yatin Investments
	Naykia Realty Private Limited
	Naykia Family Private Trust
	Prakash Shah Family Private Trust
	Naysa Shah Family Private Trust
	Kiaan Shah Family Private Trust
	India Alternatives Investment Advisors Private Limited resigned w.e.f. 31.05.2020
	Financial advisors (India)Private Limited
	CDE Real Estate Private Limited Resigned w.e.f January 19, 2021
	Mr. Nirmal Jain
	Mrs. Madhu Jain (Spouse of Mr. Nirmal Jain)
	Ardent Impex Private Limited
	Orpheous Trading Private Limited
	Sunder Bhawar Ventures Private Limited
	Nirmal Madhu Family Private Trust
	MNJ Consultants Private Limited
	Mr. Venkataraman Rajamani
	Ms. Aditi Athavankar (Spouse of Mr. Venkataraman Rajamani)
	Kalki Family Private Trust

b) Significant Transactions with Related Parties (₹ in '000)

Nature of Transaction	Holding Company	Fellow Subsidiaries	Key Managerial Personnel	Other Related Parties	Total
Nature of Transaction					
Remuneration paid to director					
Vivek Banka	-	-	-	-	-
	-	-	(12,007.74)	-	**(12,007.74)**
Share Capital					
IIFL Wealth Management Ltd	-	-	-	-	-
	(162.67)	-	-	-	**(162.67)**
Securities Premium					
IIFL Wealth Management Ltd	-	-	-	-	-
	(12,337.22)	-	-	-	**(12,337.22)**
ICD Taken					
IIFL Wealth Management Ltd	5,893.64	-	-	-	**5,893.64**
	(25,907.66)	-	-	-	**(25,907.66)**
ICD Repaid			-		
IIFL Wealth Management Ltd	24,079.56	-	-	-	**24,079.56**
	(18,820.74)	-	-	-	**(18,820.74)**
Interest Expense on ICD					
IIFL Wealth Management Ltd	887.12	-	-	-	**887.12**
	(1,041.05)	-	-	-	**(1,041.05)**
Business Support Fee					
IIFL Wealth Management Ltd	-	-	-	-	-
	(19,222.83)	-	-	-	**(19,222.83)**
IIFL Wealth Prime Ltd (Formerly known as	-	124.18	-	-	**124.18**
IIFL Wealth Finance Ltd)	-	(33,301.54)	-	-	**(33,301.54)**
Other funds Received					
IIFL Wealth Management Ltd	-	-	-	-	-
	(12.48)	-	-	-	**(12.48)**
IIFL Investment Adviser & Trustee Services	-	-	-	-	-
Ltd	-	(22.75)	-	-	**(22.75)**
IIFL Wealth Portfolio Managers Ltd (Formerly known as IIFL Alternate Asset	-	190.74	-	-	**190.74**
Advisors Ltd)	-	(0.68)	-	-	**(0.68)**
Other funds Paid					
IIFL Wealth Management Ltd	169.91	-	-	-	**169.91**
	(4,030.67)	-	-	-	**(4,030.67)**
IIFL Wealth Portfolio Managers Ltd	-	117.51	-	-	**117.51**
(Formerly known as IIFL Alternate Asset	-	-	-	-	-

IIFL WEALTH ALTIORE LIMITED
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(c) Amount due to / from related parties (Closing Balances):					
Nature of Transaction	**Holding Company**	**Fellow Subsidiaries**	**Key Managerial Personnel**	**Other Related Parties**	**Total**
ICD Taken					
IIFL Wealth Management Ltd	-	-	-	-	**-**
	(18,185.92)	-	-	-	**(18,185.92)**
Sundry Payables					
IIFL Wealth Management Ltd	-	-	-	-	**-**
	(3,314.07)	-	-	-	**(3,314.07)**
Sundry Receivables					
IIFL Wealth Finance Ltd	-	-	-	-	**-**
	-	(35,965.66)	-	-	**(35,965.66)**
IIFL Wealth Portfolio Managers Ltd (Formerly known as IIFL Alternate Asset Advisors Ltd)	-	-	-	-	**-**
	-	(0.68)	-	-	**(0.68)**

IIFL WEALTH ALTIORE LIMITED
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Notes forming part of Financial Statements for the Year ended March 31, 2021

Note 30.2. Maturity analysis of assets and liabilities as at March 31, 2021 **(₹ in '000)**

Sr. No.	Particulars	Within 12 months	After 12 months	Total
	ASSETS			
1	**Financial Assets**			
(a)	Cash and cash equivalents	9,338.74	-	9,338.74
2	**Non-Financial Assets**			
(a)	Current tax assets (net)	-	4,194.19	4,194.19
(b)	Property, plant and equipment	-	20.41	20.41
(c)	Other non-financial assets	19.85	-	19.85
	Total Assets	**9,358.59**	**4,214.60**	**13,573.19**
	LIABILITIES AND EQUITY			
	LIABILITIES			
1	**Financial Liabilities**			
(a)	Payables			
	Trade payables			
	(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	389.00	-	389.00
2	**Non-Financial Liabilities**			
(a)	Deferred tax liabilities (net)	-	1.62	1.62
3	**EQUITY**			
(a)	Equity share capital	-	1,246.72	1,246.72
(b)	Other equity	-	11,935.85	11,935.85
	Total Liabilities and Equity	**389.00**	**13,184.18**	**13,573.19**

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IIFL WEALTH ALTIORE LIMITED
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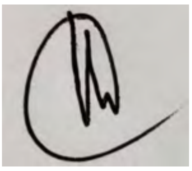
Notes forming part of Financial Statements for the Year ended March 31, 2021

Note 30.1. Maturity analysis of assets and liabilities as at March 31, 2020 **(₹ in '000)**

Sr. No.	Particulars	Within 12 months	After 12 months	Total
	ASSETS			
1	**Financial Assets**			
(a)	Cash and cash equivalents	9,351.50	-	9,351.50
(b)	Receivables			
	Trade receivables	37,612.66	-	37,612.66
(c)	Loans	60.85	129.89	190.74
(d)	Other financial assets	255.18	-	255.18
2	**Non-Financial Assets**			
(a)	Current tax assets (net)	-	4,184.87	4,184.87
(b)	Deferred tax assets (net)	-	80.32	80.32
(c)	Property, plant and equipment	-	31.51	31.51
(d)	Other non-financial assets	-	-	-
	Total Assets	**47,280.19**	**4,426.60**	**51,706.78**
	LIABILITIES AND EQUITY			
	LIABILITIES			
1	**Financial Liabilities**			
(a)	Payables			
	Trade payables			
	(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	9,933.42	-	9,933.42
(b)	Borrowings	18,185.92	-	18,185.92
(c)	Other financial liabilities	3,314.07	-	3,314.07
2	**Non-Financial Liabilities**			
(a)	Provisions	0.34	204.34	204.68
(b)	Other non-financial liabilities	6,573.58	-	6,573.58
3	**EQUITY**			
(a)	Equity share capital	-	1,246.72	1,246.72
(b)	Other equity	-	12,248.39	12,248.39
	Total Liabilities and Equity	**38,007.33**	**13,699.45**	**51,706.78**



IIFL WEALTH ALTIORE LIMITED
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Notes forming part of Financial Statements for the Year ended March 31, 2021

Note 31. Events after reporting period
There is no subsequent events from the date of financial statements till the date of adoption of accounts.

Note 32. The spread of COVID-19 including second wave across the globe and India contributed to significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities. The ultimate duration and extent of the pandemic cannot be reasonably assessed and consequently. The full impact on the business due to a COVID-19 related economic slowdown, changes in client sentiment and investment behaviour are yet unknown. The Company has continued to engage with clients and employees through extensive business continuity planning and robust technology platform with minimal disruption on any business activity during the lockdown phase. Further, the Company has assessed that it would be able to navigate currently prevailing uncertain economic conditions due to the more severe Second wave based on its business model, profile of assets and liabilities, availability of liquidity and capital at its disposal. The extent to which the COVID-19 pandemic will impact the Company's operations and results will depend on future developments, which remain uncertain. Accordingly, the Company has undertaken extensive scenario planning to better prepare itself and will continue to actively monitor any material changes to the future economic conditions.

Note 33. Previous year figures are regrouped/reclassified/rearranged where ever considered necessary to confirm to current year's presentation

Note 34. Approval of Financial Statements
The financial statements were approved for issuance by the Board of Directors on May 17, 2021.

For and on behalf of Board of Directors

Place : Mumbai	**Yatin Shah**	**Abhishek Chandra**
Date : May 17, 2021	Director	Director
	(DIN: 03231090)	(DIN: 08696992)

DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS